Text of President's Address to the Nation on His Proposed Cuts in Spending

Reagan's acaress to the nation tonight:
Shortly after taking office, I came
before you to map out a fue, I came
before you to map out a fue, I came
before you to map out a fue, I came
of a cuts to stimulate more growth
and more jobs.

Spending cuts to put an end to continuing deficits and high inflation
to the control of the control
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to the control of the control
to the control

Wand finally, a steady, consistent monetary policy.

We have made strong, encouraging progress on all four fronts.

The flood of new governmental regulations, for example, has been cut by more than a third, which was the standard of the progress of the p

resent you in Government.

Hearing Same Voices Again

Yet in recent weeks we've begun to
hear a chorus of other voices protesting that we haven't had full economic
recovery. These are the same voices
recovery. These are the same voices
reader and the same voices
reader and the same voices
green when it, and the same voices
green when it, and the same voices
green. Now that the first green was
been passed, they declare it hasn't
worked.

been passed, they declare it hasn't worked.
Well it hasn't. It doesn't start until one week from today.
There have been some bright spots in our economic performance these past few months: Inflation has fallen and pressures are easing on both food and fuel prices. More than a million more Americans are now at work than a year ago. And recently there has a year ago. And recently there has a year ago. And recently there has a year ago. Here is the say that our problems work the say that our problems work the month or gest year.

year.

We are just starting down a road that I believe will lead us out of the economic swamp we've been in for so long

economic swamp we've been in toe so long.

If will take time for the effect of the interpretation of the left of the carder reductions to be felt in in-terpretation of the left of the left of the jobs. It will also take they and new lodget cuts to reduce the deficits which have brought us near runaway inflation and rulinous interest rates. Inflation and rulinous interest rates, inflation and rounce.

firm, steady course.

Steps That Must Be Taken

Tonigh I want to talk with you about
the next steps that we must take on
that course—additional reductions in
Federal spending that will help lower
our interest rates, our inflation and
bring us closer to full economic recovery.

bring us closer to full economic recovery.

I know that high interest rates are punishing many of you—from the young family that wants to buy its first home to the farmer who needs a new truck or tractor.

But all of us know that interest rates will only come down and stay down will only come down and stay down will only come of the control of the c

in despair. Jose throw up their hands in despair. Maybe you'll remember that we were told in the spring of 1880 that the 1981 budget would be balanced. we'll, that budget—like so many in the past—hemorrhaged badly and wound, up in a sea of red ink.

I have pledged that we shall not stand idly by and see that same thing happen again.

Striving Toward Goal in '84

happen again.

Striving Toward Goal in '84

When 1 presented our economic recovery program to Congress, I said we were aiming to cut the deficit was a second to the constraint of the constrain

posed, so lat's stop there." But that's pot good enough of scuss this problem a few days ago, Senator Pete Domenical of New Mexico, chairman of the Senate Budget Committee, recalled the state of the senate budget of the senate budget of the state of the senate budget of the senate budget

Extent of Interest Payments

our interest payments on the debt

alone are now running more than the

billion a year. That's more than the

total combined profits last year of the

billion ay year. That's more than the

total combined profits last year of the

billion ay year. That's more than the

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in the past, there have been several

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tonal defense. From being the strong
ser aution on earth in the post W. W. If

year, we steadily declined, while the

series with all or the size of the past we will

be set a story on earth in the past we will

learn year.

Well what all of this is leading up to

late what do we plan to do?

I we will all the past the will be the

specific ways that I believe we ought

to achieve additional sayings — sav
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benefit ways that I b

continuing battle for several years to come,
Here is what I propose:
Here is what I propose:
First, I am asking Congress to reduce the 1982 appropriation for most covernment agencies and programs Government agencies and programs of the 1982 appropriation for most covernment agencies and programs of the 1982 appropriation for 1982 appropriation for

begins next week. A number of threats are now appearing that will drive the deflect upward if we faul to act.

The deflect upward if we faul to act.

If it contest, I was reluctant about the deflect upward if we faul to act.

If it contest, I was reluctant about the summer, we didn't point out immediately that while we did get most of what we di asked for, most int tail.

If it contest, I was reluctant about the summer, we didn't point out immediately that while we did get most of what we diasked for, most int tail.

If would asked for, most int tail.

Second, to achieve further economical and the summer of the contest of the co

Revised Federal Budget Estimates (Figures are in billions of dollars)			
	Fiscal Year 1982	Fiscal Year 1983	Fiscal Year 1984
New spending projections	\$722.3	\$769.0	\$818.8
New savings 12 percent across-the-board cut Defense slow-down Entitlements reform Subtotal	8.4 2.0 2.6	5.3 5.0 10.0	.3.8 6.0 15.0
Net of savings on new spending projections	709.3	748.7	794.0
Revised receipt estimates Proposed revenue enhancement	663.2	706.1	760.0
through tax-code changes	3.0	8.0	11.0
Total revised receipt estimates	666.2	714.1	771.0
Future savings	0.0	11,7	23.0
Deficit targets	43.1	22.9	0.0
		Source: The White Mouse	



The New York Times/1
President Reagan reviewing his notes yesterday at the White Ho

President Reagan reviewing his no As a third step, we propose to dismantle two Cablent departments and the propose to dismantle two Cablent departments and the second of the second of

which have fallen into disuse or which are now being duplicated.

Federal Loan Guarantees
Fourth, we intend to make reductions of some \$30 billion in Federal loan guarantees are not should be the Government of the control of the private and insured by Government at subsidized rates.

Federal loan guarantees have before of before of back-door, uncontrolled by the controlled before of back-door, uncontrolled before on the controlled before of back-door, uncontrolled by the controlled before on the control back-door, uncontrolled by the controlled before on the control back-door, uncontrolled by the controlled by

tolerated. Provision of school loans and meal subsidies to the affluent can no longer be afforded.

Experience in California
In California when I was Governor and embarked upon welfare reform, and embarked upon welfare reform, and embarked upon welfare reform to the control of the control o

summan case they have defined to the description of the same under the same unde

noise yesterday at the White House.

these services through fees. That is only a third of the \$3.5 billion it will cost the Government to provide those same services.

None of these steps will be easy, We are going through a period of difficult as a reason of the services of the services from virtually all of you. But there is no alternative.

Some of those who oppose this plan have participated over the years in the extravagance that has brought us infalcion, unemployment, high interaction, unemployment, high interaction, the services of the services

has been tried before and failed.

Gains at End of Path
I believe we've chosen a path that leads to an America at work, to fiscal sainty, because the season of the season

contactives now that you'll support some and a support some them in making the hard.

Now if you'll permit me, I'd like to further reduce the cost and size of Government.

Now if you'll permit me, I'd like to further reduce the cost and size of Government.

Now if you'll permit me, I'd like to further them to many the commend and the commend of the

provided for by pensions or other in-come and should not be adding to the inancial burden of Social Security. The same situation prevails with re-gard to disability payments. No one spend to disability payments. No one provided to the second of the second payment of the second of the second payment which is a second of the second payment which is a second of the second of the spend abuse of continue.

Change in Early Retirement

Spreau access of the spread of

Savings Over Lifetime

is a by 1983.

Savings Over Lifetime
To a young person just starting in the work force the savings from canceling those increases would, on the saverage, amount to \$33,000 by the time the work force the savings from canceling those increases would, on the saverage, amount to \$33,000 by the time as werage, amount to the problem. We were the spirit of volunteers for the west without an area redevelopment as the west without an area redevelopment when the west without an area r

"Imperative Need" on Budget
Now in colcusion, let me return to
the principal country of the message
the budget and soft this message
the budget and soft this message
the budget and soft this message
to all of us to ask less of Government,
for all of us to ask less of Government
to help us return to spending no more
than we take in; to end the deficits and
bring down interest rates that otherbring down interest rates that otherbring the soft of the soft of the soft of the
I know that we are asking for conomies in many areas and programs that

were started with the best of intentions and a dedication to a worthwhile cause or purpose. But I know also that some of those programs have not succeeded to the property of the property of

Spending, Revenue
And Deficit Projections
For Fiscal 1982
(Figures rounded in billions of collars when the proposed after the based to the based to

President to Seek a New Tax Bill

Continued From Page 1

The White House also said it would in the administration official reports that the Administration of the wages of Federal enables of the Administration of the wages of Federal enables of the Administration of the Wages of Federal enables of the Administration of the Wages of Federal enables of the Administration of the Wages of Federal enables of the Administration of the Wages of Federal enables of the Wages of F